Midtown Commons Council Follow-up Questions for May 18, 2026

- **Question:** Councilor Jordan asked for clarification on the park size and level of service analysis, specifically whether the analysis accounts for existing park deficiency in the area and how many residents within a 10-minute walk the park would serve. Staff indicated they would provide the level of service analysis and resident numbers before the final vote.

  Response: PROST includes a systemwide Level of Service (LOS) analysis, which evaluates park access across the community rather than at the individual project scale. That analysis identified this neighborhood as an area with a documented service gap - specifically, a lack of a park within a 10-minute walk for all residents. The proposed park directly addresses that gap.

- **Question:** Councilor Jordan requested specifics on environmental assessments, including whether a pre-construction nesting bird survey under the Migratory Bird Treaty Act was conducted, and asked for legal requirements. Staff said they would research and get back with an answer.

  Response: There are no legal requirements regarding environmental assessments for the City's acquisition or sale of property. The City did conduct Phase 1 and Phase II environmental assessments during due diligence. Please see response to Question 3 in "Jordan Response v1.pdf" that was attached to the agenda on May 13th. Additionally, a nesting bird survey under the Migratory Bird Treaty Act is not required if site work occurs after August 31, which is outside the primary nesting season. The developer has confirmed they do not plan to conduct any site work in the area of the irrigation ditch and mature trees before that date. However, phase 1 construction will begin in July, and a nesting bird survey will be completed for any trees in that area. The developer is required to follow all laws and regulations during permitting and construction.

- **Question:** Councilor Sherrill asked for an estimate of future tax revenue from the developed area compared to current revenue, and staff agreed to provide a high-level estimate at a later date.

  Response: Based on our experience in evaluating project tax revenue, we estimate taxable market value to be approximately $60 million. A conservative estimate is that this will yield more than $550,000 in annual tax revenue when the project is completed. In 2024, before the City purchased the property, it yielded approximately $99,000 in tax revenue.

- **Question:** Councilor Anderson (via email) - I have a couple of questions regarding the cottonwoods. If I understand you correctly, cottonwood trees have a certain lifespan, and towards the end of their lifespan, they start to rot from the inside out, thus making them potentially dangerous, especially to have in or around a public park. What is the average lifespan of a cottonwood?

Response: Cottonwoods are generally considered relatively short-lived and structurally weak trees in urban settings. While some cottonwoods can survive much longer in natural floodplain environments with abundant groundwater and ideal soil conditions, many mature urban cottonwoods begin experiencing structural decline, internal decay, branch failure, and root conflicts by roughly 40 years of age.

- **Question:** Approximately how old are the cottonwoods that are currently on this land?

  Response: We do not have exact ages for the existing trees. Based on historic aerial imagery, the ditch appears to have been relocated sometime between 1966 and 1982, with some trees visible along the ditch in the 1982 imagery. Many additional trees appear by the early 2000s, with the earlier trees substantially larger by that time.

- **Question:** If the city weren't involved in this project, what would the requirements be for a developer around park space, the irrigation ditch, and preservation of any trees, etc.?

  Response: Only subdivisions are required to provide parkland dedication or fees in lieu. As an infill redevelopment project, this proposal would not be processed as a subdivision, meaning no public parkland would otherwise be required.

  Activity area requirements would still apply for the multifamily portion of the development. Based on the current design, approximately 0.5 acres of activity area would likely be required. However, much of that area could be satisfied through private amenities such as balconies, courtyards, or resident-only open space, rather than publicly accessible parkland serving the broader neighborhood.

  The Unified Development Code does include standards related to preservation or replacement of mature trees greater than 6” in diameter. However, Siberian elm is identified as an undesirable species and is generally not prioritized for preservation. Tree retention decisions also consider overall tree condition, structural stability, species suitability, and conflicts with infrastructure.

  Because many of the existing trees are growing directly from the ditch banks, are “volunteers” and have never been pruned or maintained, there are existing and future concerns related to tree stability and long-term liability associated with tree failure. Additionally, if the ditch is relocated the cottonwoods would not survive. Based on those factors, many of these trees would likely not be determined suitable for long-term preservation.

The irrigation ditch would still need to be coordinated with the ditch company, including any required easements, maintenance access, relocation approvals, and water conveyance requirements. Subject to ditch company approval and applicable engineering requirements, a private developer could potentially pipe, relocate, or substantially alter the ditch corridor without City involvement beyond standard development review and permitting processes.

The ditch company also has the right to maintain or remove hazardous vegetation, including trees, refuse, and other that could be considered impeding the operation of the ditch.

- **Question:** What does it take to designate an area a riparian area? I am willing to venture that this area does not meet those standards or requirements. And thus, a private developer would not be required to consider that. Do I understand that correctly?

  Response: "Riparian" is generally an ecological term describing land adjacent to rivers, streams, wetlands, or other natural water bodies where vegetation and soils are influenced by the presence of water. This is typically characterized by vegetation type and hydrologic influence. There is not necessarily a single formal City designation process that automatically classifies an area as riparian for development regulation purposes.

  The riparian vegetation present on this site is concentrated immediately adjacent to the irrigation ditch, growing within the water and along the ditch banks. Vegetation transitions quickly to much drier upland conditions only a short distance from the ditch corridor.

  While this irrigation corridor may not function as a fully natural riparian system comparable to a river or creek corridor, it does provide vegetation, water presence, and some habitat value within an urban environment. The park concept seeks to enhance those ecological functions through revegetation, naturalized planting, and replacement with more appropriate long-lived tree species better suited for an urban public park setting and long-term public benefit.

- **Question:** Councilor Becerra - What is the total developability of the project under the new UDC?

  Response: The U-R3 zoning district supports the City's vision for compact, walkable, and transit-supportive development. Density is not controlled by a maximum number of units but instead by the physical form standards that shape the overall building envelope.

  Because of these standards, a different project could be significantly denser than the current proposal. Here's why:

- **Building Height:** The zone allows buildings up to 85 feet, roughly eight stories. This height allowance alone can support substantial residential density, depending on how the building massing is configured.

- **No Parking Requirement:** U-R3 does not require any on-site parking. This removes one of the most common site constraints that can limit how many units can fit on a parcel.

- **No Parkland Dedication Requirement:** Because this site has been previously subdivided, there is no requirement to dedicate parkland as part of a project on this site.

- **Greenspace Requirements Are Minimal:** Greenspace obligations are limited to
  - private activity area, and
  - landscaping standards, both of which are relatively modest and already exceeded by the Midtown Commons proposal.

Because there is no cap on unit count and the limiting factors—height, massing, and modest open space requirements—allow for a large buildable envelope, a hypothetical alternative project could be much denser than the current proposal while remaining fully compliant with zoning.

In short: U-R3 enables a range of potential outcomes, from moderate to very high density residential and commercial uses, depending entirely on how a developer chooses to use the available height and footprint. The current proposal represents just one point within that broad range.

1. Affordable Housing & TIF Policy

- **Question:** Council Jordan subsequent to the meeting - Staff cited the Workforce Housing Program exception for projects that provide "other public benefits such as granting trail and park easements." But the City is paying $2.5 million in TIF to build this park-- the developer is not donating it free of cost. This exception needs a clearer finding on the record.

- **Question:** The Workforce Housing Program exception requires a public benefit determination by MRA. Where is that written finding, and does the fact that the City is paying $2.5 million to construct the park affect whether the developer's contribution qualifies as the kind of benefit the exception was designed to recognize?

- **Question:** Staff confirmed this type of deferred developer reimbursement has never been used before in a Missoula MRA agreement. Given that, why is the $5 million participation payment being factored into the leverage ratio as if it were

reliable, and has MRA's board made a written finding that the 1:10 standard is met on that basis?

- **Question:** The staff response restated the 1:16 ratio but did not address the underlying question: the $10.9 million is committed now; the $5 million is contingent on future condo sales and is explicitly not a debt or repayment under the agreement. On what policy basis are these treated as equivalent when calculating the ratio?

  Response: The developer is acquiring the Midtown Commons site at the same price the City paid for it, including the 1.6 acre park. The $2.5 million estimated park construction cost can be considered part of the $5 million developer participation payment, which will come back to URD III. Additionally, per the development agreement, upon completion the developer will dedicate approximately 1.8 acres of park land and trail connections to the City at a value of nearly $1.2 million.

  MRA uses a 1:10 ratio as a general rule of thumb, not a hard and fast rule, to evaluate whether MRA is making a good investment. However, in several instances MRA has determined that projects with lower ratios have substantial public benefit and are worth investing in at a lower ratio. Without the $5 million developer participation payment the ratio would be closer to 1:8, which, given the substantial public benefit of this project, can still be considered a good investment of TIF funds.

  The MRA Workforce Housing program excludes requirements to make payment to the City's Affordable Housing Trust Fund when a project includes public amenities such as public park or trail connections, which the Midtown Commons project does.

2. Waterway Relocation

- **Question:** Staff said they were unclear what Plans A and B refer to. These appear to have originated from the MEP solicitation process the City ran. The questions about acreage, cost, and who drove the decision to fully re-route the ditch remain unanswered.

- **Question:** MEP and MRA have both cited 10 acres as available to build. Does the full waterway re-route increase that number- and if so, by how much and for whose benefit?

  Response: Buildable area is determined by many factors, including infrastructure placement, utilities, and zoning requirements, not just the ditch location, so it is not necessarily possible to identify the increase in buildable area because of ditch relocation. In the simplest terms, the ditch easement changes from 32,800 sq ft to 27,800 sq ft.

- **Question:** What is the cost of the waterway relocation under the current plan,and is any portion of that cost included in the $8.4 million TIF line?

  Response: Preliminary estimate for ditch improvements included in the $8.4 million is approximately $590,000.

- **Question:** What does the public gain specifically from the full re-route, beyond what would have been achieved by keeping the ditch in or near its current alignment?

  Response: This is a policy consideration that Council will weigh as this project is considered.

3. Greenway & Park Design

- **Question:** Staff confirmed that Parks supported the earlier, wider, more naturalized greenway design, and that the current design reflects changes made by the private development team to balance parking, circulation, and other program elements. The public is investing $2.5 million in this park. If Parks staff supported the earlier design, who made the final call to accept the regressed design- and at what point in the process did that happen?

  Response: The overall site layout is controlled through the broader private development design process. The final proposal reflects revisions made by the development team to balance housing units, circulation, utilities, grading, parking, and other programmatic constraints during the iterative design process.

- **Question:** The response states the park design was driven by the developer's need to balance parking and circulation. Is it appropriate for a $2.5 million publicly funded park to be sized and designed around a private developer's parking program?

  Response: The park is part of a larger urban infill redevelopment where housing, streets, utilities, stormwater, circulation, parking, public open space, constructability, project cost, and long-term marketability must all function together on a constrained site. Park size is only one of many factors considered during the design process.

- **Question:** Has a PROST level-of-service analysis been completed for this project? The response described what the park is designed to provide but did not confirm whether a formal LOS analysis was conducted.

  Response: PROST includes a systemwide Level of Service (LOS) analysis, which evaluates park access across the community rather than at the individual project scale. That analysis identified this neighborhood as an area with a

documented service gap - specifically, a lack of a park within a 10-minute walk for all residents. The proposed park directly addresses that gap.

A separate project-specific PROST level of service analysis has not been completed for Midtown Commons, as P&R has not historically conducted LOS analysis on individual parks. However, PROST identified the Midtown area as deficient in park access and amenities. The project is consistent with broader PROST goals related to walkability, connectivity, access to park amenities that make up a “complete park” including social/cultural space, play space, amenities that support active recreation, and access to nature.

4. Financial Structure & TIF Itemization

- **Question:** The response to the $8.4 million itemization question listed categories (streets, sidewalks, utilities, landscaping) but provided no dollar amounts by line item. The follow-up asking for a breakdown by waterway relocation, wood fill, roads, and utilities received "See above"- which was not a substantiative answer. Can staff provide an actual line-item breakdown of the $8.4 million,with dollar amounts, not just categories, before the final vote?

- **Question:** Is any portion of the waterway relocation cost included in the $8.4 million TIF figure?

- **Question:** Where will the developer's $5 million participation payments be directed when received-- back into URD III, to the Affordable Housing Trust Fund, or to the general fund?

  Response: The participation payments are intended to repay URD III payments for further investment in the District.

5. Public Land & Public Value

- **Question:** Staff explained the mechanics of the simultaneous Tollefson closing but did not provide the legal findings required for a below-appraisal disposition of a TIF-funded public asset. The seller chose to sell below appraisal, but the City is conveying it to the developer at that same price. What specific legal authority or policy finding supports conveying a TIF-funded public asset to a private developer at $500,000 below its appraised value?

  Response: There is no requirement that the City sells property at appraised value. The acquisitions of both parcels were based on negotiations with the owners and were intended to be at or near market considering the existing site difficulties. The sale to Miramonte reflects fair value to the City, accounting for the existing restrictions on the property and the requirements imposed through the development and purchase agreements, including having this project achieve the target price points.

- **Question:** The public already owned 4.5 acres of this site as platted right-of-way before the $5.9 million purchase. Was the value of that existing public land factored into the purchase price or the terms offered to the developer?

  Response: Consistent with traditional real estate transactions, the presence of right-of-way and other easements are factored into the value.

6. Questions That Received No Response

- **Question:** Developer assignment: Staff described Section 8.5's assignment clause as standard but did not address the interaction with Section 8.4's limitation of City recourse to then-available TIF. If Miramonte assigns to an affiliate that underperforms, what is the City's actual remedy?

  Response: The City's ability to enforce the terms of the agreements does not change with affiliated entities.

- **Question:** Local hiring & small business: Are there any local hire targets, apprenticeship requirements, or small business preference provisions for the ~$94 million in private construction? If not, is Council comfortable with that, given this is a public land disposition?

- **Question:** Environmental/climate standards: Staff confirmed no additional study is required beyond standard permitting. Are there any green building, energy performance, or climate-resilient design standards being applied to the private buildings- or only to the TIF-funded public infrastructure?

  Response: City Council has not established policies related to private development on City land made available for redevelopment other than proceeds of the sale of such eligible lands default to the Affordable Housing Trust Fund. Under the recommendations of the Mayor's City Lands Redevelopment Task Force, the City's approach is to keep transactions as simple and transparent as possible while achieving significant community outcomes. For Midtown Commons, the original prospectus used to find a developer partner required proposers to consider the Midtown Master Plan and required a park and housing but left the private sector to consider how to accomplish these goals in a market feasible way. Additionally, City Council sent a clear signal to the staff that we should minimize City involvement in the design and layout of private development through the adoption of the Our Missoula Land Use Plan and zoning code. The Council could adopt policies requiring additional goals like the points listed above. However, these would likely require additional public investment to achieve them or higher price points in the resulting housing options.